Trade Agreements Reached Between India and SAARC Countries

2369. SHRI PROF. M. SANKARALINGAM: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the number of trade agreements reached recently between India and SAARC countries;

(b) what benefits are accrued to these countries;

(c) *the* details thereof; and

(d) the special features of the SAARC agreement so reached?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MAR AN): (a) to (d) No bilateral trade agreement has been signed recently between India and SAARC countries. However, India has continuing trade agreements with Bhutan, Bangladesh, Sri Lanka and Maldives as well as treaty of trade with Nepal. India has also signed an agreement with Sri Lanka on 22.1.1997 for protection of bilateral investments (BIPA).

At the Forum of the South Asian Association for Regional Cooperation, an agreement on Preferential Trading Arrangement (SAPTA) has been in force since 1995 for exchange of tariff preferences among SAARC countries. The third" round of negotiations under SAPTA was concluded in November 1998 and customs notification giving effect to the tariff concessions granted by India upto the Third Round was issued on 10th August 1999.

A Free Trade Agreement (FTA) was signed between India and Sri Lanka on 28th December 1998. The list for exchange of concessions between the two sides were finalised in Februray 2000. The Customs Notification implementing the concessions granted by India under FT A was issued on 1st March, 2000.

These agreements are intended to incrase the market access and flow of investments bilaterally as well as at the regional level.